Minister for Treasury and Resources



19-21 Broad Street | St Helier Jersey | JE2 4WE

Mr Richard Bell, Treasurer of the States Mr Ian Burns, Director General – Customer and Local Services

By email

22 December 2021

Dear Richard, Ian,

Letter of Instruction

Thank you for your letter dated 21 December 2021 relating to the reintroduction of the Co-Funded Payroll Scheme (CFPS) that Ministers have agreed for December 2021.

Having carefully considered the points raised in your letter, the economic advice we have received, the representations that have been made by the business community, and the recommendations of my ministerial colleagues, it is my judgement the CFPS should be reintroduced for December 2021 and January next year for the sectors most likely to be impacted by cancellations and the wider impacts of the new Omicron variant.

I agree that it is now far harder to predict the potential impact that Omicron isolation requirements will have on businesses than it was to forecast the likely effects of restricting business operations earlier in the pandemic. The Public Finances Manual requires that officials are able to demonstrate that a given course of action is economic, efficient and effective before it is undertaken and as a result you are not empowered to commit to spending unless you have good evidence that those criteria have been fully satisfied.

Where there is uncertainty, it is the role of Ministers to consider the balance of risks and make appropriate judgements. As you note, in taking these judgements Ministers are able to take a broader view of economic and social imperatives that you are not entitled to in your roles including the impact that further disruption will have on Islanders' livelihoods, mental health and wellbeing. I acknowledge the risks that you raised in your letter, but I consider that the outlook is so uncertain that further support is a necessary as insurance policy because ultimately the economic and social risks of not providing further support outweigh the potential risks regarding financial efficiency.

I note that the Chief Minister and other Competent Authorities Ministers share my perspective and have approved the reintroduction of the CFPS as have the other Ministers are responsible for the Scheme.

I am therefore formally instructing you to implement the decision agreed by Ministers on 21 December 2021 to reintroduce the CFPS for claims in respect of December 2021 and January 2022, in accordance with the proposals developed by officials.

In line with the usual process, I am copying this letter to the Comptroller and Auditor General.

Yours sincerely

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